

# KEY BISCAYNE POLICE OFFICERS' & FIREFIGHTERS' RETIREMENT PLAN

Village Council Chambers  
560 Crandon Blvd., Key Biscayne, FL 33149  
REGULAR MEETING OF JULY 22<sup>ND</sup>, 2010

**1. Call to Order** – Chairman Michael Haring called the meeting of the Key Biscayne Police Officers' & Firefighters' Retirement Plan to order at 5:35 P.M.

## Roll Call

### Present

Servando M. Parapar, Secretary  
Michael Haring, Chairman  
Sherry L. Reed  
Steve Liedman

### Absent

Jose L. Monteagudo

**OTHERS PRESENT:** Blake Myton from SunTrust, Alison S. Bieler, Esq., from Cypen & Cypen, Attorneys for the Fund and Joan L. Wall, Administrator.

**2. Additions/Deletions to Agenda.** An invoice from Holland & Knight dated 7/15/10 in the amount of \$276 was received after the agenda was posted. Servando Parapar moved to add this to item #4 of the agenda. Steve Liedman seconded the motion. The motion carried unanimously.

**3. Approval of Minutes for May 27<sup>th</sup>, 2010.** Chairman Haring presented the minutes from the previous meeting for approval. Steve Liedman moved to approve. Servando Parapar seconded the motion. The motion carried unanimously.

**4. Approval of Invoices.** Chairman Haring presented the invoice listed on the agenda in addition to the one added under agenda item 2 for approval and payment. Steve Liedman moved to approve payment of both invoices. Servando Parapar seconded the motion. The motion carried unanimously, authorizing payment of the following:

Joan L. Wall, Admin., 5/20 – 7/12/10; 26 ¾ hrs, plus expenses	\$ 1,254.39
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Holland & Knight, Invoice # 2539035 dated 7/15/10	\$ 276.00
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**5. Review/Approve** – SHARE Plan Distribution to F/F Alberto Menendez in the amount of \$20,885.64. After determining that Anthony Chifari from ICMA had confirmed F/F Menendez' SHARE account balance on July 15, 2010, Steve Liedman

moved to approve payment. Servando Parapar seconded the motion. The motion carried unanimously.

## **UNFINISHED BUSINESS**

**6. a) Review of actual costs of assumption changes discussed at the May meeting.** After reviewing the complexity of the report from Mr. Palmquist, Steve Liedman moved to table the matter until the November meeting when Mr. Palmquist could attend to explain the various options, including the actual dollar amounts based on the current payroll information for the year ended September 30, 2010, with these amounts in 1/4 point progression. Sherry Reed seconded the motion. The motion carried unanimously. The trustees also inquired if the change to the new mortality table could be done in steps.

**6. b) Adoption of expected rate of return for current year, each of the next several years and the long term.** (continued from 5/27/10). Steve Liedman moved to adopt the current 8 1/2% assumption rate for the current year, and to advise the Division of Retirement that plans are underway to reduce this to 7 1/2% over a period of time with input from the actuary and investment consultant. Servando Parapar seconded the motion. The motion carried unanimously.

## **NEW BUSINESS**

**7. a) Blake Myton from SunTrust – Market Report.** Mr. Myton reported all major indexes with the exception of a few were down for the quarter. The cyclical recovery confronted a wall of sovereign debt in the second quarter due to heightened fears of the euro zone fiscal crisis spreading to the rest of the globe which caused stocks to correct sharply with stock sellers embracing US Treasuries, driving yields to twelve month lows. While the economic recovery continues, the markets should follow. Risks in the market remain as sluggish bank lending appears to be holding back the recovery in the small business and services sectors. The problems in Europe have provided an important wake-up call for other countries to get their fiscal houses in order. To put current rumors to rest, the Henderson deal to sell the RidgeWorth investment vehicles was off the table for the time being.

**7. b) Schools & Conferences** – FPPTA Trustees' School, September 26<sup>th</sup> through 29<sup>th</sup>, 2010 at the PGA National Resort in West Palm Beach.

**7. c) Authorize Chairman to sign Subscription Agreement with Frontier Mid Cap Growth Fund.** After discussing the amount of the investment that was required to be provided on the Subscription Agreement with Blake Myton of SunTrust, Steve Liedman moved to authorize the chairman to execute the document on behalf of the board and to set \$365,000 as the amount of the investment, with the understanding that if the SunTrust fund to be liquidated was less to take any additionally required

funds from cash. Servando Parapar seconded the motion. The motion carried unanimously.

**8. Trustees' concerns.** Steve Liedman inquired about possible changes to the investment selections for the DROP and SHARE Plans. Attorney Bieler stated this would be an agenda item under Burgess Chambers' report at the September meeting as it was an annual procedure to introduce any changes for adoption at that time for the following calendar year. The participants are able to make changes to their investment choices between November 1<sup>st</sup> and December 15<sup>th</sup>, for the following calendar year.

**9. REPORTS**

- **Attorney** – Chairman Haring had signed a compliance statement for the IRS Determination Letter process, indicating progress in this regard. Attorney Friedman would include the ordinance amendment previously approved by the board in the same ordinance that contained any IRS requested changes.
- **Administrator** – None.
- **Other** –
  - Steve Liedman advised he would be leaving in the morning and would be out of town until August 20<sup>th</sup>, 2010.
  - Included with the agenda packages were the following items.
    - The Board's 5/29 letter to Finance that included the 10/1/09 Actuarial Valuation with a suggestion to increase the Village contributions to be in line with the required contribution percentage for the current fiscal year.
    - Commission Recapture through 6/30/10.
    - 6/23/10 Securities Monitoring Report

**10. Input from Active/Retired Members** – None.

**11. Next Meeting Date/Adjournment.** Chairman Haring announced the next regular meeting would be Thursday, September 23<sup>rd</sup>, 2010 at 5:30 P.M. There being no further business before the board, Steve Liedman moved to adjourn at 6:30 P.M. Servando Parapar seconded the motion. The motion carried unanimously.

Respectfully submitted,

Servando Parapar